

SENATE BILL No. 379

DIGEST OF INTRODUCED BILL

Citations Affected: None (noncode).

Synopsis: Leveraging federal funds for Medicaid. Requires the office of the secretary of family and social services to identify specified information and develop Medicaid programs or funding mechanisms to obtain additional federal Medicaid funds for health care services. Requires the state department of health to seek Medicaid certification for services provided at the Veterans' Home. (The introduced version of this bill was prepared by the joint commission on Medicaid oversight.)

Effective: Upon passage.

Johnson

January 10, 2002, read first time and referred to Committee on Health and Provider Services.

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Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

SENATE BILL No. 379

A BILL FOR AN ACT concerning Medicaid.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. [EFFECTIVE UPON PASSAGE] (a) **As used in this**
2 **SECTION, "office" refers to the office of the secretary of family**
3 **and social services established by IC 12-8-1-1.**

4 (b) **The office shall do the following:**

5 (1) **Identify sources of state or local government funds that:**

6 (A) **either:**

- 7 (i) **are eligible for federal financial participation under**
8 **the Medicaid program (42 U.S.C. 1396 et seq.), including**
9 **sources for intergovernmental transfers from**
10 **government owned and operated health care entities; or**
11 **(ii) can be certified as being eligible for federal financial**
12 **participation under 42 U.S.C. 1396b(w)(6)(A) and 42**
13 **CFR 433.51; and**

14 (B) **are paid to health care entities, including the following:**

- 15 (i) **Health facilities.**
16 (ii) **Hospitals.**
17 (iii) **Medical and dental schools.**
18 (iv) **University facilities.**



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- (v) Community health centers.
- (vi) Mental health, alcohol, and drug abuse facilities and programs.
- (vii) Mental retardation and developmental disabilities facilities and programs.
- (viii) Psychiatric facilities and programs.
- (ix) Children's facilities and programs.
- (x) Schools.
- (xi) Any other health related facilities, programs, or services.

(2) Identify:

- (A) the availability of Medicaid disproportionate share payments for state institutions for mental disease for any prior state fiscal year; and
- (B) court ordered health care services that are paid by the state or by local units of government.

(c) Based on the information identified under subsection (b), the office shall, not later than August 1, 2002, do the following:

(1) Develop Medicaid health care coverage programs or health care funding mechanisms. Programs and mechanisms developed under this subdivision may not require the reduction or cessation of current programs using intergovernmental transfers or certification of government funds as the state's share of Medicaid payments.

(2) Submit a state plan amendment to the federal Centers for Medicare and Medicaid Services to apply for approval of the programs or mechanisms developed under subdivision (1).

(d) Before July 1, 2002, the office shall publish public notice in accordance with the regulations of the federal Centers for Medicare and Medicaid Services of the office's intent to implement the programs and mechanisms developed under subsection (c).

(e) Not later than August 1, 2002, the office shall do the following:

(1) Identify opportunities for Medicaid waivers or expansions, paid with no new state tax funds, to cover individuals with health care needs.

(2) Identify entities afforded Indiana tax credits on the basis of their payment of taxes or assessments used to directly fund health care services or insurance coverage for individuals who would be eligible for coverage under a Medicaid waiver or expansion identified in subdivision (1).

(3) Calculate increased tax revenues realized by the state



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1 through the reduction in Indiana tax credits taken by entities
2 described in subdivision (2) due to the reduction in taxes or
3 assessments paid by the entities resulting from the fact that
4 the health care needs of individuals identified in subdivision
5 (2) are covered by Medicaid.

6 (f) The office shall, not later than October 1, 2002, file a report
7 with the executive director of the legislative services agency
8 regarding the office's activities under this act.

9 (g) This SECTION expires July 1, 2005.

10 SECTION 2. [EFFECTIVE UPON PASSAGE] The state
11 department of health established by IC 16-19-1-1 shall develop a
12 plan and seek federal approval to qualify the Indiana Veterans'
13 Home for reimbursement of services and other expenses that could
14 be eligible under Medicaid. The plan developed under this
15 SECTION must be structured to maximize federal Medicaid
16 reimbursement for the Veterans' Home. Subject to approval of the
17 budget agency, any revenue accruing to the Indiana Veterans'
18 Home from the receipt of Medicaid reimbursement may be used to
19 augment appropriations made to the office of Medicaid policy and
20 planning established by IC 12-8-6-1 for use in funding long term
21 care.

22 SECTION 3. An emergency is declared for this act.

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